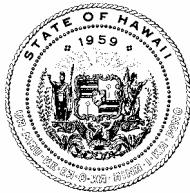


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MORTGAGE BROKERS AND SOLICITORS PROGRAM

STATE OF HAWAII
PROFESSIONAL AND VOCATIONAL LICENSING DIVISION
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
P.O. BOX 3469
HONOLULU, HAWAII 96801
www.hawaii.gov/dcca/areas/pvl

April 15, 2005

MEMORANDUM

TO: ALL INTERESTED PERSONS

FROM: MORTGAGE BROKERS AND SOLICITORS PROGRAM

SUBJECT: OUT-OF-STATE MORTGAGE BROKER WORKING WITH AN
OUT-OF-STATE BORROWER TO FINANCE OR REFINANCE HAWAII PROPERTY

We are often asked whether out-of-state mortgage brokers and solicitors ("mortgage brokers") may work with out-of-state borrowers to finance or refinance property located in Hawaii without being licensed in Hawaii. We also have been told that some lenders require confirmation that the above activity may be conducted without being licensed in Hawaii before the lender will fund the loan.

Hawaii's mortgage broker licensing law requires a license to conduct mortgage broker activity within the State of Hawaii. The licensing requirements of Hawaii focus upon protection of Hawaii consumers and where the mortgage broker activity occurs rather than where the property is located. If the transaction involves a Hawaii consumer or the mortgage broker activity is being conducted in Hawaii, such activity is subject to the licensing regulations of Hawaii. If, however, the activity is being conducted in another state and the borrower is not a Hawaii resident, such activity is not subject to the licensing regulations of Hawaii.

This is an informal interpretation for informational and explanatory purposes only. This interpretation is not an official opinion or decision and is not to be viewed as binding on the department. For further clarification or information, please write to:

MORTGAGE BROKERS AND SOLICITORS PROGRAM
Department of Commerce and Consumer Affairs
Professional and Vocational Licensing Division
P. O. Box 3469
Honolulu, Hawaii 96801